

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 10/18/2016	(3) CONTACT/PHONE Brandi Cummings, Planner/(805)781-1006	
(4) SUBJECT Hearing to consider an appeal by NORMAN BEKO of the Planning Commission's approval of a request by HITACHI Zosen Inova USA, LLC for a Conditional Use Permit (DRC2015-00122) to allow for: the construction and operation of an anaerobic digestion plant to process green and food waste from the Waste Connections service area; a setback modification; remodel of an existing warehouse; and construction of a 36,000 sf addition located at 4388 Old Santa Fe Road, east of Hoover Avenue and Old Santa Fe Road, south of the city of San Luis Obispo; also under consideration is a Mitigated Negative Declaration. District 3.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt the resolution denying the appeal by Norman J. Beko and affirming the decision of the Planning Commission subject to the modified findings and conditions set forth in the attachments to this staff report.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Hearing (Time Est. <u>120 min</u> ) <input type="checkbox"/> Board Business (Time Est. <u>    </u> )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>                </u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 3			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Brandi Cummings, Planner

VIA: Bill Robeson, Deputy Director / Permitting

DATE: 10/18/2016

SUBJECT: Hearing to consider an appeal by NORMAN BEKO of the Planning Commission's approval of a request by HITACHI ZOSEN INOVA USA, LLC for a Conditional Use Permit (DRC2015-00122) to allow for: the construction and operation of an anaerobic digestion plant to process green and food waste from the Waste Connections service area; a setback modification; remodel of an existing warehouse; and construction of a 36,000 sf addition located at 4388 Old Santa Fe Road, east of Hoover Avenue and Old Santa Fe Road, south of the city of San Luis Obispo; also under consideration is a Mitigated Negative Declaration. District 3.

## **RECOMMENDATION**

It is recommended that the Board adopt the resolution denying the appeal by Norman J. Beko and affirming the decision of the Planning Commission subject to the modified findings and conditions set forth in the attachments to this staff report.

## **DISCUSSION**

### **Background**

The Planning Commission considered the proposed project during a public hearing on August 25, 2016. The Commission took 2 ½ hours of testimony at this hearing. The Commission fully discussed the project issues including traffic, odors, and airport safety. The Commission ultimately voted to unanimously approve the project with the addition of a condition that requires all proposed signs to conform to the sign standards set forth in Title 22. On September 1, 2016, Norman J. Beko filed an appeal of the Planning Commission's approval of the Conditional Use Permit (CUP).

### **Project Description**

Hitachi Zosen Inova USA, LLC proposes the establishment of an anaerobic digestion plant (ADP) that will process green and food waste from the Waste Connection service area. The anaerobic digestion process would occur in an enclosed facility. Waste Connections will continue to operate waste hauling, including storage of waste containers, haul trucks, and related maintenance (See Attachment 7 - Planning Commission staff report for the full, detailed project description).

Construction: The project will include the remodel of an existing 13,128 square-foot (sf) warehouse building and construction of a 36,000 sf addition. Other improvements will include a new office trailer, paving of an existing 80-space dirt parking lot, vehicle weighbridge, 5,000 sf digester, 3,500 sf presswater tank, 7,500 sf biofilter, 1,062 kW combined heat and power (CHP) unit with flare, site grading, and stormwater improvements.

Plant Operations: The ADP will be manned five days a week in a single-shift. All maintenance and service tasks will be carried out during this time. Inspections will be made on weekends and during emergency and stand-by times. The actual digestion process takes place automatically around-the-clock without maintenance. Biogas production and utilization will also take place around-the-clock.

*The Kompogas Digester.* The continuously fed, horizontal PF1800 plug-flow digester has a capacity of 1,800 m<sup>3</sup> (64,000

cubic feet±) at a filling level of approximately 85%. The digester is a steel structure with inner dimensions of approximately 38.3 m (126 feet) / 44m (144 feet) x 8.5m (28 feet) (length x diameter). A heating system, consisting of a central heat distribution system installed underneath the digester and a series of heating lances inserted through the digester, ensures that the process temperature is reached rapidly and is constantly maintained. Hot water supplied by the combined heat and power unit (CHP) is used as the heating media. In order to minimize heat losses, the steel tank is enclosed by thermal insulation.

Other processes will include:

- Dewatering
- Presswater and Loading
- Post Treatment of Solid Digestate
- Biogas Utilization
- Exhaust Air

## Appeal Issues

### Issue #1: An EIR was not prepared for Air Quality or Traffic.

**Staff Response:** CEQA Guidelines section 15070 allows a Negative Declaration (ND) to be prepared when there is no substantial evidence in record that the project may have a significant effect on the environment, or when potentially significant effects are identified but revisions in the project (mitigation) would avoid or mitigate the effects to a point where no significant effect on the environment would occur.

An Environmental Impact Report (EIR) is required to be prepared when there is substantial evidence in the record that supports a fair argument that significant effects may occur. The existence of controversy over the effects of a project does not require preparation of an EIR if there is no substantial evidence in the record that the project may have a significant environmental effect. Substantial evidence includes facts, a reasonable assumption predicated upon facts, or expert opinion supported by facts.

An EIR was not prepared for this project; instead a Negative Declaration was prepared with mitigation agreed to by the applicant. There is no substantial evidence in the record that significant impacts would occur after the proposed mitigation. The following is a summary of the air quality and traffic impacts of the project, and the mitigation that will mitigate the effects to a point where no significant effects would occur. (See Attachment 6 – Mitigated Negative Declaration for the full discussion on potential impacts and proposed mitigation.)

Air Quality. The applicant submitted an *Air Quality Technical Memorandum* (RCH Group, April 20, 2016) as well as an *Air Quality Technical Report* (RCH Group, March 29, 2016) to evaluate the potential impacts of the project, both during construction and during operation. The San Luis Obispo County Air Pollution Control District (SLO County APCD) reviewed the project referral and air quality documents and “agrees the construction phase impacts will likely be less than the SLO County APCD’s significance threshold valued identified in Table 2-1 of the CEQA Air Quality Handbook...[s]taff also agrees with the mitigation measures (AQ-1 and AQ-2) in the Air Quality Technical Report.” (Guise, APCD Comments Regarding the Kompogas Anaerobic Digestion Plan Initial Study/Mitigated Negative Declaration, May 11, 2016). Additionally, the proposed project includes fugitive dust mitigation measures (COA 23, AQ-3) that ensure that dust emissions are adequately controlled.

Daily Reactive Organic Gasses (ROG) and Nitrogen Oxides (NO<sub>x</sub>) emissions from the whole of the project would exceed the SLO County APCD’s threshold of 25 lbs/day by 3.5 lbs/day and is considered a significant impact requiring mitigation. SLO County APCD has developed a list of mitigation strategies for industrial projects that exceed the threshold. The proposed project shall select and implement at least 8 mitigation measures from the SLO County APCD list of mitigation measures. The mitigation reduces this impact to less than significant.

Odors were the other air quality issue addressed in the ND. “The proposed project would not include any composting operations or storage of liquid digestate in open ponds/lagoons, which have the greatest potential to cause odor issues. The [anaerobic digestion] process would occur in an enclosed facility. Collection trucks would back into the facility through roll-up doors and drop organic waste in the receiving area.” Automatic roll doors will allow trucks to enter the facility and close immediately after entry, minimizing odor leakage. The facility will be kept at negative pressure, so outside air will be pulled in when the doors open, preventing inside air and odors from escaping. “Organics would be pretreated and then sent to an intermediate storage bunker, where a crane feeds organics into the digester. The [digestion] process occurs in a fully enclosed reactor and the exhaust air from the enclosed facility would be cleaned using a biofilter.” (RCH Group,

March 29, 2016). Mitigation measure AQ-1 (COA 13) requires the applicant to develop an odor control plan to identify potential odor sources and establish control strategies to reduce potential odors.

Transportation/Circulation. The applicant submitted a *Vehicle Trip Generation Report* (Oasis Associates, May 13, 2016) to evaluate the potential impacts of the project.

The proposed project will add two additional haul trucks for commercial food waste pickup, which will add eight truck trips daily. Because green waste will be disposed of at the ADP facility, the 30 off-site unloading trips of the existing fleet will be eliminated. Proposed daily vehicle trips for green-waste pick up are 38.

The proposed ADP project will not alter existing residential green-waste routes, but will modify the trip destinations and vehicle miles traveled (VMT). The total number of daily truck trips to the WC facility will increase by twenty (20) trips as off-site unloading is redistributed to the facility location. However, overall total truck trips will be reduced by ten (10) trips daily, as unloading will be completed at the same location as the termination point of the daily routes. The total VMT will increase due to the new commercial food waste trucks. (Oasis Associates, May 13, 2016).

In order to mitigate traffic impacts, fees are required for the City of San Luis Obispo's Citywide Transportation Impact Fee, Airport Area Specific Plan, and LOVR Interchange Mitigation Fee, which address cumulative impacts to City roads in the area. The transportation and circulation mitigation (COA 19, TR-1) requires the applicant to provide evidence of payment prior to construction permit issuance.

There are no facts, reasonable assumptions predicated upon facts, or expert opinions supported by facts in the record that supports a fair argument that significant air quality or traffic impacts may occur as a result of this project. Therefore, a mitigated ND is adequate for this project and preparation of an EIR is not required.

#### **Issue #2: Submission by Hitachi of Incorrect Data.**

**Staff Response:** The information used to support the ND, the recommendation by the Planning Department, and the decision of the Planning Commission is based on studies and reports prepared by experts and professionals in their field. The appellant did not identify any specific data that he believes to be incorrect. The following is a list of the documents use to evaluate the impacts of the project on the environment.

- *Acoustical Analysis*, David Dubbink Associates, February 17, 2016
- *Air Quality Technical Report*, RCH Group, March 29, 2016
- *Air Quality Technical Memorandum (CHP Unit Engine Emission)*, RCH Group, April 20, 2016
- *Air Quality Technical Memorandum in Response to SLO County APCD Comments Regarding HZI AD Plant Applicant Submitted IS/MND*, RCH Group, May 24, 2016
- *Air Quality Technical Memorandum in Response to SLO County APCD Comments Regarding HZI AD Plant Technical Memorandum*, RCH Group, June 20, 2016
- *Geotechnical Engineering Report*, Earth Systems Pacific, March 21, 2016
- *Preliminary Fire Protection Hazard Evaluation*, Collings & Associates, April 12, 2016
- *Revised Fire Protection Hazard Evaluation*, Collings & Associates, July 30, 2016
- *Stormwater Control Plan*, Tetra Tech, March 2016
- *Vehicle Trip Generation*, Oasis Associates, February 26, 2016
- *Vehicle Trip Generation (Revised)*, Oasis Associates, May 13, 2016

In addition to these special studies, the Department cited numerous County policies and ordinances in the analysis of the project. These documents include, but are not limited to the following:

- Framework for Planning (Inland)
- General Plan (Inland, includes all maps/elements; more pertinent elements:
  - Agriculture Element
  - Conservation & Open Space Element
  - Housing Element
  - Noise Element
  - Safety Element
- Land Use Ordinance (Inland)

- Public Facilities Fee Ordinance
- Affordable Housing Fund
- San Luis Obispo Airport Land Use Plan
- San Luis Obispo Area Plan (San Luis Obispo north sub area)
- Annual Resource Summary Report
- Clean Air Plan/APCD Handbook
- Regional Transportation Plan
- Uniform Fire Code
- Water Quality Control Plan (Central Coast Basin – Region 3)

In addition, the Planning Commission considered the information in the staff report that totaled over 227 pages of information, heard 25 minutes of public testimony and closely questioned staff and the applicant team regarding details of the proposed project.

### **Other Appeal Issues**

The appellant submitted additional issue items in a letter dated September 20, 2016 (Attachment 03).

**Issue #3: The Hitachi Zosen Inova project is in need of a focused EIR under CEQA requirements. This project does not qualify for a negative declaration because of its size, location and access points. Under no circumstances should a project of this magnitude be considered without an EIR.**

**Staff response:** See Staff Response to Issue #1.

**Issue #4: Policies regarding notification of area residents and businesses are inadequate with regards to who needs notification and at what distance from the project. This was a problem with this project.**

**Staff Response:** Because this project is classified as an “Ag Processing” use, notification is required for properties within 1,000 feet of the project site. Staff noticed properties within 1,000 feet of the project site and included the entirety of the Evans Tract/Residential Suburban (RS) neighborhood, which was not within the original 1,000 foot buffer, but was included based on public interest and comments from the Airport Land Use Commission meeting.

**Issue #5: The report titled Initial Study Summary – Environmental Checklist (170 pages) raised concerns resulting in this appeal in the following areas: Air Quality, Noise, Public Services/Utilities, Transportation/Circulation, Water & Hydrology, Set-back requirements.**

**Staff Response:** Please see Staff Response for Issues #6 through #24.

**Issue #6: Air Quality. Will the project violate any state or federal ambient air quality standard, or exceed air quality emission thresholds as established by County Air Pollution District. Page 15 states Total Daily Emissions is 28.5 and the significant threshold is 25. Significant – YES! This is calculated only for the start-up operation which is destined to grow due to the state law that requires food waste to be collected by more businesses and is increasing January, 2017.**

**Staff Response:** Table AQ-8 of the Negative Declaration does identify Total Daily Emissions of ROG and NO<sub>x</sub> as 28.5 pounds. This is calculated as Daily Operational Emissions; Construction (start-up) emissions are identified in Tables AQ-1 through AQ-3 of the Negative Declaration. Through the Total Daily Emissions are identified as exceeding the threshold of 25 pounds, the project has required mitigation which will reduce the impact to less than significant (COA-33, AQ-10).

The Kompogas Digester has a capacity of 1,800 m<sup>3</sup> (64,000 ft<sup>3</sup>) at a filling level of approximately 85%. The applicant estimates the proposed equipment is adequate to handle an increasing volume of green waste over the next 20 years. If the amount of organic material received exceeds the plant capacity, a second digester would be added and would require a new land use permit and review.

**Issue #7: Air Quality. Will the project expose any sensitive receptor to substantial air pollutant concentrations – EIR needs to confirm this as residents that live close by are considered “sensitive receptors”.**

**Staff Response:** The Air Quality reports submitted for this project did not identify any air pollution concentrations that would be considered significant after mitigation is applied.

**Issue #8: Air Quality.** Will the project create or subject individuals to objectionable odors. Please refer to pg 18 of 170 which states this anaerobic digestion facility is not listed among the potential nuisance sources, but is still a concern of all nearby occupants as to odors. Average wind is 6.8mph (p 18) at the SLO County Airport. This area is a wind tunnel which will carry odors and noise to local residents. Please read the top of pg 18 for further clarification of the issue of odors.

**Staff Response:** The Negative Declaration does not identify any significant odor related impacts. The proposed project would not include any composting operations or storage of liquid digestate in open ponds/lagoons, which have the greatest potential to cause odor issues. The AD process occurs in a fully enclosed reactor and the exhaust air from the enclosed facility would be cleaned using a biofilter.

**Issue #9: Air Quality.** Pg 5 states, “the biofilter consists of a large open concrete tank with a permeable floor to allow for air flow, and is filled completely with pieces of tree roots.” We were told it is a completely closed system and this appears to be open to the air!

**Staff Response:** As previously discussed, the digestion process, which takes place in the digester, occurs in a fully enclosed reactor. The exhaust air from the enclosed facility is then cleaned using a biofilter. The biofilter is for air flow release post-maturation and is not enclosed. The Negative Declaration does not identify any significant odor related impacts.

**Issue #10: Noise.** Charts on noise levels are very confusing. Measurements include dB (decibels), Ldn, Lmax and Leq. Pg 27, Table N-3 states noise levels are the same for jet departures and 24 hr operations. Living next to the airport the nighttime is very quiet except for occasional landings of jets. Are they comparing apples with oranges??

**Staff Response:** Lmax is the maximum sound level during a period of time. Leq is the equivalent continuous noise level and is a measurement of sound over a period of time. Day Night Average Sound Level (Ldn) is a measurement taken over 24 hours. The Ldn is different from Leq because it gives a 10 dB penalty to operations taking place at night between 10pm and 7am. This measurement is used by federal agencies including the FAA.

Table N-3 of the Negative Declaration states the noise level of a regional jet departure is at 75-85 Lmax, and the 24 Hour Air Operations of the airport is at 75 Ldn. The noise level 100 feet away from the Anaerobic Digestion Plant is estimated at 41 Leq. The County requirements for noise are 50 Leq during daytime hours (7 am to 10 pm) and 45 Leq for nighttime hours (10 pm to 7 am). The plant operations are expected at 41 Leq and therefore the project complies with both these standards.

**Issue #11: Noise.** Pg 26 states “the industrial land uses are not considered noise-sensitive but offices are.” Co-appellants Norman Beko (Earth Systems Pacific) and Mike Kyle (CTI) own buildings adjacent to this project which have offices. There are many office buildings close-by this project.

**Staff Response:** There are three office buildings within close proximity to the project site, the nearest being approximately 175 feet from the proposed structure. The *Acoustical Analysis* prepared for this project identified the ADP operations as 41 Leq at a distance of 100 feet from the plant. The County requirements for noise are 50 Leq during daytime hours (7 am to 10 pm) and 45 Leq for nighttime hours (10 pm to 7 am). This project complies with both these standards.

**Issue #12: Noise.** Trucks have to back into the building to dump their loads and this means “beep, beep, beep!!! This sound can be heard quite a distance from the site and is extremely annoying!

**Staff Response:** Existing state law requires refuse or garbage trucks to be equipped with an automatic backup alarm which is audible at a distance of 100 feet. These types of safety signals and warning devices are exempt from the County noise standards (section 22.10.120.A.3).

The plant operations will be in a single-shift and the haul trucks will unload at the ADP once midday (between 9:30 and 10:30 a.m.) and again at the end of the day (between 2:00 and 3:00 p.m.). The haul trucks will take an estimated 10-12 seconds to back into the receiving hall. With the two additional commercial haul trucks, the total number of green waste trucks will be 11. 11 trucks taking 12 seconds each, twice a day, to back into the receiving haul would equate to 264 seconds/day of backup alarm, or 4.4 minutes/day.

The noise measurements for plant operations were reported based off a similar plant in Ottenbach, Germany. The measurements were made with all equipment and processes in operation, which includes the receiving of haul trucks. Noise levels measured would not exceed the County's standards.

**Issue #13: Noise. Garbage trucks start at 5am in the morning and travel most of the day back and forth on Buckley Rd. This project will bring more trucks to this facility.**

**Staff Response:** This project will not affect the existing garbage truck pick-up routes or the times that those trucks depart from the facility. The proposed project is estimated to add two additional haul trucks for commercial food waste pickup. The two new haul trucks will add eight truck trips daily (four trips per truck). A trip is counted for each time a truck leaves or returns to the facility (a truck could leave the facility twice but would log four trips). Because green waste will be disposed of at the ADP facility on the Waste Connections site, the 30 off-site unloading trips of the existing fleet will be eliminated. Proposed daily vehicle trips for green-waste pick up are 38. The total number of daily truck trips to the WC facility will increase by twenty (20) trips as off-site unloading is redistributed to the facility location. However, overall total truck trips will be reduced by ten (10) trips daily, as unloading will be completed at the same location as the termination point of the daily routes.

**Issue #14: Public Services/Utilities. The plan is to use Cal Fire and County Sheriff but this property is planned to be annexed by the city of SLO. How will police and fire protection be covered and will it be adequate? There appears to be a lack of adequacy of fire and emergency response time for this location.**

**Staff Response:** Emergency response time for this location is 0-5 minutes, which is considered good. Though the project may eventually be annexed by the City, it is currently within the County and therefore County Fire/Cal Fire is the appropriate fire agency. In the event the City should annex this property, SLO City Fire would be the appropriate fire agency; the City has two fire stations within two miles of the project. In the event the City annexes this property, SLO City Police Department would be the appropriate agency, and they are located approximately 4 miles from the site.

**Issue #15: Public Services/Utilities. Pg 24 of 170 discusses the storage water tanks on the adjacent properties. Neither of these owners, ESP or CTI were contacted about the impact of this project on their properties.**

**Staff Response:** The Waste Connections property has an independent fire pump operating at 75 HP with 1,500 gallons per minute (gpm) output rated at 71 psi. A shared 200,000 gallon fire water tank is on an adjacent property immediately to the east. The tank is shared between three properties. The other two properties are owned/tenanted by Earth Systems Pacific (ESP) and CTI. ESP shares a separate fire pump with CTI. The Waste Connections property and ESP use well water to fill the fire tank. ESP's well is currently set to auto-fill the tank, but the subject property's well can also be set to auto fill. A supply line is connected from the tank to the 1,500 gpm private pump on Waste Connections' property. The fire pump is dedicated to the Waste Connections facility and does not provide service to the ESP or CTI facilities. There is no formal recorded agreement for the shared responsibility and use of the fire water tank and related systems between the three properties. Currently water, maintenance, and upkeep responsibilities have been shared between the properties on an informal basis. Earth Systems was informed of this project as they prepared the *Geotechnical Engineering Report* for the project.

**Issue #16: Transportation/Circulation. Statistics for this section were done by Oasis Associates who represents the applicant for this project. This is a conflict of interest and is another reason why an independent study through an EIR is requested.**

**Staff Response:** In response to this issue, Oasis Associates has had the Vehicle Report peer-reviewed by a third-party traffic engineer.

**Issue #17: Transportation/Circulation. Impact of traffic flow to and from the project location. The road systems are clearly inadequate to accommodate this project without needed road improvements. Buckley and Santa Fe road issues are overlooked when considering this project. Buckley Rd is rated "D" and should be "A" or "B" to accommodate this project.**

**Staff Response:** The County has established the acceptable Level of Service (LOS) on roads for this urban area as "D" or better. The existing road network in the area including the project's access street, Santa Fe Road, is operating at acceptable levels. According to the Level of Service Criteria for Roadway Segments, and recent Traffic Count Data from

the Department of Public Works, it appears Buckley Road is operating at LOS A.

This project was referred to the Department of Public Works, who reviewed the traffic data provided and oversees County road issues. The Department of Public Works did not identify any issues with the data provided and level of service on this road and stated it is operating at an "excellent level of service". Additionally, Public Works identified the collision history as below average compared to other roads in the County.

All the haul trucks are owned and operated by Waste Connections. As part of the Waste Connections Minor Use Permit (DRC2012-00030), the project provided a transportation management plan that outlined strategies for reducing vehicle trips. Any new Waste Connections haul trucks (including the two proposed with this project) are required to comply with the transportation management plan in effect.

The project is subject to the City of San Luis Obispo's Citywide Transportation Impact Fee, Airport Area Specific Plan, and LOVR Interchange Mitigation Fee, which addresses cumulative impacts to City roads in the area.

**Issue #18: Transportation/Circulation. Bridge on Santa Fe Rd is unsafe and needs to be improved and Santa Fe needs to connect to Tank Farm. Waste Connections stated they do not allow their garbage trucks over the Santa Fe bridge because it is too dangerous! Therefore all trucks going to and from this project travel on Buckley Rd. Impact fees are currently going to SLO City and there is no plan for road improvements on Buckley Rd.**

**Staff Response:** The bridge issue is not relevant to the project under appeal. All haul trucks are owned and operated by Waste Connections. As part of the Waste Connections Minor Use Permit (DRC2012-00030), the project provided a transportation management plan that requires haul trucks to use Old Santa Fe Road, Hoover Avenue, and Buckley Road to access State Highway 227 for north and south routing when in the course of normal business operations. Santa Fe Road (including the bridge) is not an authorized road under the approved Minor Use Permit.

The Waste Connections trucks do not utilize the Santa Fe Road bridge, and there is no nexus to this project to require bridge improvements. Road impact fees are paid to the City of SLO based on the Memorandum of Agreement approved by the Board on October 18, 2005. The Santa Fe Road bridge is within the City of San Luis Obispo jurisdiction.

**Issue #19: Transportation/Circulation. Circulation in the area needs to be assessed for this project, as well as future projects, such as the 720 homes proposed for Avila Ranch which is located about 1 mi away on Buckley Rd. Buckley needs to go straight through to So Higuera ASAP as the intersection at Vachell Lane and So Higuera is dangerous.**

**Staff Response:** The Avila Ranch Development Plan, being processed through SLO City, includes the extension of Buckley Road from Vachell Land to South Higuera. The traffic study and traffic analysis have not been finalized, but will likely be provided as part of the project's EIR. It is anticipated traffic mitigations will be required as part of the project.

As discussed above, the project is subject to the City of San Luis Obispo's Citywide Transportation Impact Fee, Airport Area Specific Plan, and LOVR Interchange Mitigation Fee, which address cumulative impacts to City roads in the area.

**Issue #20: Transportation/Circulation. Tank Farm should be widened to 4 lanes to reduce the stress on Buckley.**

**Staff Response:** This issue is not relevant to the project under appeal. The Department of Public Works requires the applicant to upgrade the frontage of the development parcel (curb, gutter, sidewalk), but they do not condition a project for offsite road improvements. Again, the project is subject to the City of San Luis Obispo's impact fees which address cumulative impacts to City roads in the area.

**Issue #21: Transportation/Circulation. Speed limit on Buckley needs to be re-assessed as it is currently 55mph. Cars, motorcycles and trucks go as fast as 70mph. It should be 45 to 50mph which is what Tank Farm currently is.**

**Staff Response:** This issue is not relevant to the project under appeal.



**Issue #22: Transportation/Circulation. Riding a bicycle on Buckley Rd is dangerous with the increased frequency of garbage trucks and the new law requiring 3 feet clearance. Bike lanes need to be improved for safety.**

**Staff Response:** This issue is not relevant to the appeal. The Department of Public Works requires the applicant to **upgrade** the frontage of the development parcel (curb, gutter, sidewalk), but they do not condition a project for offsite road improvements.

**Issue #23: Water & Hydrology. Report states they need water only for the start-up operation and then it is self-sustaining. We were told that they would wash the trucks every day to keep the odors of food waste to a minimum. How much water will this take and will it impact the ground water source for other properties?**

**Staff Response:** Waste Connections owns all the haul trucks (garbage, recycle, green waste) and currently is in charge of the maintenance and cleaning of the trucks. Waste Connections has an existing recirculation wash water treatment system (PMT2012-01096) installed to wash the haul trucks. The system is capable of processing up to 1,950 gallons per day of waste water. The proposed project will add a maximum of two additional haul trucks, and will not cause a significant increase in water use for truck washing.

**Issue #24: Set-back Requirements. Adjacent property owners are very concerned that the set-backs are being modified from 200 ft to 37 ft.**

**Staff Response:** The applicant requests an adjustment to setbacks as required by the Special Use Standards – Commercial Composting. The applicant requests a modification to the 200 foot setback requirement for structures on the left side and rear property lines. The proposed structure would be 37 feet from the left side property line, and 173 feet from the rear property line instead of 200 feet. These modifications would not reduce the setback beyond the minimum standards of Title 22; setbacks from structures to property lines in the Industrial Land Use Category are 25 feet in the front, with no setbacks required on the side or rear property lines.

The Planning Commission found that the setback modification was acceptable. Based on the existing structure that is proposed to be utilized for the project, it would be ineffective to require a 200 foot setback from the left and rear property lines. Additionally, a man-made drainage channel runs through the middle of the property (east-west) and would further hinder the placement of a structure away from the left property line. The property does not abut residential land uses, and is surrounded by manufacturing and other industrial uses.

**Issue #25: Another concern which we hope the FAA will address is that this project is at the end of runway 11-29 at the airport and it is not clear how on site lighting and related activities may impact ILS activities or night approach flights.**

**Staff Response:** This project was referred to the Airport Land Use Commission (ALUC). The ALUC determined the project consistent with the San Luis Obispo County Regional Airport Land Use Plan and recommended conditions to limit density, require aviation easements, and prohibit project characteristics that would interfere with maneuvering of aircraft. The project was also referred to the County Airport Manager who commented that the project should undergo FFA review, provide evidence that there will be no impact to the Instrument Landing System as ultimately planned, and to not have lighting that would interfere with aircraft operations. All projects within the AR designation are required to obtain an aviation easement to secure avigable airspace. The recommended conditions from the ALUC and Airport Manager are included as part of the Developer's Statement to the Negative Declaration and the Conditions of Approval (COA 15-28, 34, 39-47; HZ-1 – HZ-14).

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

The project was referred to County Public Works, County Environmental Health, Cal Fire, City of San Luis Obispo, Airport Land Use Commission, and SLO County Air Pollution Control District. The Referral Responses are included as part of Attachment 07.

In addition, County Counsel has reviewed and approved the attached Resolution with findings and conditions.

## **FINANCIAL CONSIDERATIONS**

This appeal was accompanied by an \$850.00 appeal fee. This appeal was processed using department allocated general fund support as well as the fee.

## **RESULTS**

Affirming the Planning Commission's decision and denying the appeal will mean Conditional Use Permit DRC2015-00122 is approved.

Upholding the appeal would mean the Planning Commission's approval of Conditional Use Permit DRC2015-00122 would be overturned and result in the project being denied.

This hearing is consistent with communitywide results of encouraging a safe, healthy, and livable community.

## **ATTACHMENTS**

1. Resolution Denying Appeal with Modified Findings and Conditions of Approval
2. Appeal Request Letter
3. Additional Appeal Issues
4. Mitigated Negative Declaration dated July 21, 2016
5. Planning Commission Resolution
6. Minutes from the Planning Commission Meeting of August 25, 2016
7. Staff Report from the Planning Commission hearing of August 25, 2016 and supporting documentation
8. Correspondence from Planning Commission hearing of August 25, 2016
9. Location Map